



Hughes Health & Rehabilitation

Caring for loved ones. Family style.

Written testimony of
Mark Finkelstein, Administrator,
Hughes Health and Rehabilitation
in Opposition to the proposed 2% Medicaid Nursing Home Rate Reduction

Senator Harp, Representative Geragosian, and members of the Appropriations Committee, my name is Mark Finkelstein. I am the Administrator of Hughes Health and Rehabilitation, Inc., located in West Hartford, Connecticut. Hughes is a longstanding provider of nursing care in the town of West Hartford. Indeed, for nearly 50 years, Hughes Health & Rehabilitation has been part of the fabric of the West Hartford community. Our facility, located at 29 Highland Street, is part of the town's history as well as the location of a quality nursing home of one hundred seventy (170) beds. We employ two hundred twelve (212) caring caregivers and ancillary staff. I am writing to you today to ask that the Appropriations Committee take a strong position in opposition to the proposal from the Governor to cut nursing home Medicaid rates by 2%.

I have been a licensed nursing home administrator for thirty-seven (37) years. The economies of running a nursing home have never been more challenging. As you know, Connecticut nursing homes have not received a rate increase from you for the last two years. Additionally, this year the legislature repealed a state law that mandated a cost of living increase for nursing homes. Medicare has reduced its payments to nursing homes and more cuts are being considered by Congress. While this has happened, we have seen a rise in our costs, just as you have in your personal lives.

When the Connecticut Association of Health Care Facilities suggested a way to bring an increase in revenues to nursing homes via a bed tax, without it costing the state one red cent, we were forced to forgo some of the federally matched funds because they were given to other agencies. Nursing homes, therefore, paid a tax to fund other providers of care, a matter which was just another inherently unfair attack on nursing homes.

In the past year I reduced expenses by fifty thousand dollars (\$50,000). Additional cuts in revenue will mean more lost jobs and compromise the quality of care delivered at Hughes as well as other fine nursing homes in Connecticut. This will result in higher payouts in unemployment compensation paid to laid off employees and more people going on the welfare rolls in Connecticut. Since these people will not have an income, it will also result in lost revenue to the state in the form of sales tax revenues. In short, it will not be a savings to the state. It will simply be a cost shifting.

In an effort to illustrate the impact of a two percent (2%) rate reduction please consider this. The two percent (2%) rate reduction equates to a loss of revenue for Hughes of more than two hundred thousand dollars (\$200,000). The starting rate for new certified nursing assistants is eleven dollars (11.00) per hour, or twenty-two thousand eight hundred eighty dollars (\$22,880) dollars per year. Two hundred thousand dollars, divided by the cost of one certified nursing assistant will call for eight people losing their jobs. Imagine the impact on the quality of care if I have to lay off eight caregivers!

In this environment, the additional cuts recommended by Governor Rell are not sustainable. If adopted, the Governor's proposal will close nursing homes, jeopardize care for thousands of frail and elderly residents, and eliminate jobs for thousands of caregivers across the State. The quality of care that Hughes Health and Rehabilitation is well known for providing will be seriously undermined should this proposal be adopted.

Hughes Health and Rehabilitation received the highest 5-Star rating from the Centers for Medicare & Medicaid Services (CMS). As some of you already know, CMS's rating is a tool for consumers and caregivers to compare nursing homes more easily. The rating consists of an overall score from 1 to 5 stars, plus separate ratings for health inspections, quality measures and staffing. While Hughes does not endorse nursing home rating systems, we are grateful for CMS's acknowledgement of the quality of care delivered at Hughes and have dedicated ourselves to continuously improving the care we provide to our residents. This simply is not possible with additional reductions to our income.

I would like to take this opportunity to invite each of you to come to Hughes for a visit. Come meet our residents and come meet our staff. You will find out first-hand what makes our nursing homes so special. We are not unique. There are hundreds of nursing homes in Connecticut that also provide quality care. It is important for each of you to see how additional reductions will impact these people. Come listen to their life stories. Listen to the hardships they deal with every day. Many of them have lives that you cannot imagine. Come learn what a loss of their jobs will mean to them. Come learn how another rate reduction will impact them. Come learn how the loss of their jobs will impact them.

I implore you to take these words to heart. You will change lives with additional cuts. For these reasons, I urge you to reject the Governor's proposed Medicaid rate cuts to nursing homes. Please feel free to call me with any questions. I can be reached at (860) 236-5623.

Respectfully submitted,



Mark J. Finkelstein
Vice President